Form 3160-3 (August 1999)	LIMITED OT A TEC		FORM APPI OMB No. 10 Expires Novemb	04-0136
DEPA BURE	UNITED STATES RTMENT OF THE INTERIOR AU OF LAND MANAGEMENT	(123456)	5. Lease Serial No. SF-78739	
APPLICATION	FOR PERMIT TO DRILLOR R	EENTEROO4	6. If Indian, Allottee or Tribe	e Name
1a. Type of Work: ☑ DRILL ☐	REENTER (2)	Dier. 8	7. If Unit or CA Agreement,	
, – –	Gas Well ☐ Other	reje Zone Multiple Zone	8. Lease Name and Well No SAN JUAN 30-5 UNIT 2	
2. Name of Operator CONOCOPHILLIPS COMPANY	Contact: VICKI WESTBY E-Mail: Vicki.R.Westby	@conocophillips.com	9. API Well No. 30-039-20	· — ·
3a. Address 4001 PENBROOK, SUITE 346 ODESSA, TX 79762	3b. Phone No. (incl Ph: 915.368.13		10. Field and Pool, or Explo BASIN FRUITLAND	
4. Location of Well (Report location cl	early and in accordance with any State red	quirements.*)	11. Sec., T., R., M., or Blk.	and Survey or Area
At surface SESE 842 At proposed prod. zone	FSL 907FEL		Psec 22 T30N R05W	Mer NMP
14. Distance in miles and direction from r	learest town or post office*	123 43 5 A	12. County or Parish RIO ARRIBA	13. State NM
15. Distance from proposed location to ne lease line, ft. (Also to nearest drig. un	arest property or it line, if any)	Dease OCT 2004	17. Spacing Unit dedicated	to this well
18. Distance from proposed location to ne completed, applied for, on this lease,	arest well, drilling, 19. Proposed Depth ft. 3445 MD		20. BLM/BIA Bond No. on	file
21. Elevations (Show whether DF, KB, R' 6660 GL	Γ, GL, etc. 22. Approximate da	te work with start.	23. Estimated duration	
	24. A	tachments	·	
The following, completed in accordance with	h the requirements of Onshore Oil and Ga	s Order No. 1, shall be attached to	this form:	
 Well plat certified by a registered survey A Drilling Plan: A Surface Use Plan (if the location is on SUPO shall be filed with the appropria 	National Forest System Lands, the	4. Bond to cover the operation Item 20 above). 5. Operator certification 6. Such other site specific in authorized officer.	ons unless covered by an existing	ng bond on file (see
25. Signature (Electronic Submission)	Name (Printed/Type VICKI WESTE	d) RY		Date 08/27/2004
Title AGENT				00/2//2001
Approved by (Signature)	Name (Printed/Type	d)	· · · · · ·	Date
_ D/Mante	ela			9-30-09
Title AFM	Office FF	2		
Application approval does not warrant or ceroperations thereon. Conditions of approval, if any, are attached.	tify the applicant holds legal or equitable t	itle to those rights in the subject le	ease which would entitle the app	plicant to conduct
Title 18 U.S.C. Section 1001 and Title 43 U States any false, fictitious or fraudulent state	S.C. Section 1212, make it a crime for any ments or representations as to any matter v	person knowingly and willfully twithin its jurisdiction.	o make to any department or ag	ency of the United
Additional Operator Remarks (see	e next page)			
	tronic Submission #35205 vorifi	and have the a Direct Material Lands and		

Electronic Submission #35295 verified by the BLM Well Information System For CONOCOPHILLIPS COMPANY, sent to the Farmington

DRILLING OPERATIONS AUTHORIZED ARE SUBJECT TO COMPLIANCE WITH ATTACHED "GENERAL REQUIREMENTS".

ッ

This action is subject to technical and procedural review pursuant to 43 CFR 3165.3 and appeal pursuant to 43 CFR 3165.4

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

State of New Mexico Energy, Minerals & Natural Resources Department OIL CONSERVATION DIVISION 1220 South St. Francis Dr.

Santa Fe, NM 87505

Form C-102 Revised June 10, 2003

Submit to Appropriate District Office

State Lease - 4 Copies

Fee Lease - 3 Copies

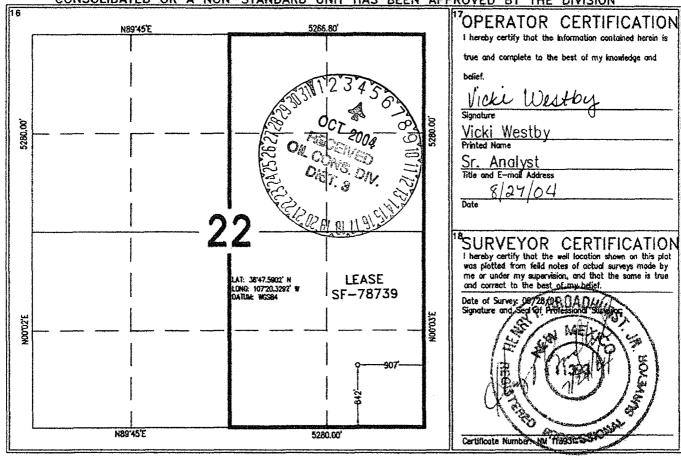
☐ AMMENDED REPORT

District I 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazes Rd., Aztec, NM 87410 District IV 1220 S. St. Francis Dr., Santa Fe, NM 87505

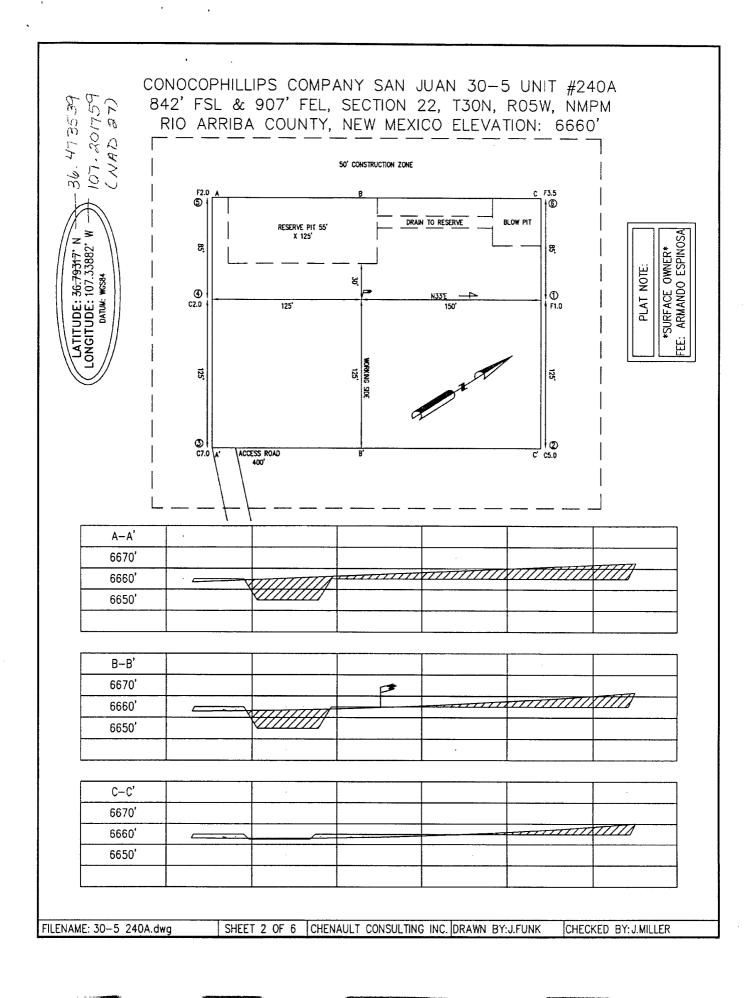
LOCATION AND ACREAGE DEDICATION PLAT Pool Code 71629 BASIN FRUITLAND COAL (GAS) SAN JUAN 30-5 UNIT Property Code 31327 Well Number 240A OGRID No. *Operator Hame
CONOCOPHILLIPS COMPANY Elevation 217817 6660

¹⁰Surface Location Section Township UL or lot no. Lot Idn Feet from the North/South line Feet from the Range East/West line SOUTH 842 30N 05W 907 **EAST** RIO ARRIBA Bottom Hole Location If Different From Surface UL or lat no. Section Township Range Lot Idn Feet from the North/South line Feet from the East/West line County ¹²Dedicated Acres 18 Joint or Infill Consolidation Code 18 Order No. 320.0

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION



Submit 3 Copies To Appropriate District Office <u>District I</u>	State of New Me Energy, Minerals and Natu	ral Resources	Form C-103 May 27, 2004
1625 N. French Dr., Hobbs, NM 88240 <u>District II</u> 1301 W. Grand Ave., Artesia, NM 88210		DIVISION	VELL API NO. Indicate Type of Lease
<u>District III</u> 1000 Rio Brazos Rd., Aztec, NM 87410 <u>District IV</u> 1220 S. St. Francis Dr., Santa Fe, NM 87505	1220 South St. Fran Santa Fe, NM 87	icis Dr.	STATE FEE State Oil & Gas Lease No.
SUNDRY NOT (DO NOT USE THIS FORM FOR PROP DIFFERENT RESERVOIR. USE "APPL PROPOSALS.)	FICES AND REPORTS ON WELLS OSALS TO DRILL OR TO DEEPEN OR PLI JICATION FOR PERMIT" (FORM C-101) FO	UG BACK TO A OR SUCH	Lease Name or Unit Agreement Name San Juan 30-5 unit Well Number 2000 1
1. Type of Well: Oil Well 2. Name of Operator	Gas Well X Other		OGRID Number
ConocoPhillips Compan	у		217817
3. Address of Operator 4001 Penbrook, Odessa,	TX 79762		0. Pool name or Wildcat Basin Fruitland Coal
4. Well Location Unit Letter	: 842 feet from the SOW		Tool Hom the 20001
Section 22	Township 30 N Ra 11. Elevation (Show whether DR,		IMPM RIO Orriba County
	4660	GL	
Pit or Below-grade Tank Application		31000	nce from nearest surface water200-1000
Pit type <u>Drill</u> Depth to Groundwater Pit Liner Thickness: mi			uction Material
The Theres.		bbis, Colista	denoii Wateriai
NOTICE OF IN PERFORM REMEDIAL WORK TEMPORARILY ABANDON PULL OR ALTER CASING OTHER: Drill Pit Notification 13. Describe proposed or compof starting any proposed wor recompletion. ConocoPhillips Company's Genuine the pit in reference to the property of t	CHANGE PLANS MULTIPLE COMPL pleted operations. (Clearly state all pork). SEE RULE 1103. For Multiple there is a proposed wellhead. The drill pit will be composed wellhead.	SUBSE REMEDIAL WORK COMMENCE DRILLIF CASING/CEMENT JO OTHER: ertinent details, and give Completions: Attach	QUENT REPORT OF: ALTERING CASING NG OPNS. P AND A Every pertinent dates, including estimated date at wellbore diagram of proposed completion ttached diagram that details the location of
I hereby certify that the information grade tank has been/will be constructed or	above is true and complete to the best closed according to NMOCD guidelines	st of my knowledge an l, a general permit 🗌 or an	d belief. I further certify that any pit or below- n (attached) alternative OCD-approved plan .
SIGNATURE VICKE WAS	thy (pj) TITLE 5	r. Analyst	DATE 8/27/04
Type or print name For State Use Only ARREVED BY.	E-mail address: Vicki.R.	Westby@ConocoPhill	CCTOR, DIST, 400 OCT - 4 2004
APPROVED BY: Conditions of Approval (if anv):	TITLE_	Western Austria book	DATE





PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

SAN JUAN 30-5 240A

Lease:				A	FE #:					AFE	\$:
Field Name: hPHILLI	PS 30-5		Rig:				State:	NM	County: RIO ARRIB	A API	#:
Geoscientist: Murph	y, Jim O.		Phone	832-486-236	51	Prod.	Engineer:	Berg	gman, Pat W.	Phone:	(832) 486-2358
Res. Engineer: Koles	ar, James E		Phone	(832) 486 -	2336	Proj. F	ield Lead:			Phone:	
Primary Objective	(Zones);					4		Talaya (
Zone Zo	one Name										
JCV B/	ASIN FRUIT	LAND COAL	(GAS)								
Location: Surface										S	traight Hole
Latitude: 36.79	Longitu	ide: -107.34		X:		Υ:			Section: 22	R	ange: 5W
Footage X: 907 FEL	Footag	e Y: 842 FSL	-	Elevation: 66	60	(FT)	Township:	30N			
Tolerance:						1_					
Location Type:		,	Start C	ate (Est.):		Con	pletion Da	ate:	Date	In Operation	on:
Formation Data: As	sume KB =	: 6673 I	Units =	FT	· · · · · · · · · · · · · · · · · · ·						
Formation Call &		Depth (TVD in 5t)	SS	Depletion	BHP	внт			Remai	rks	
Casing Points		(TVD in Ft)	(Ft)	(Yes/No)	(PSIG)				, terrai		
SAN JOSE Surface Casing		13 213	6660 6460				12-1/4 h	۵ ماد	5/8" 32.3 ppf, H-40	STC casin	a Circulate cemen
Jurrace Casing		213	0400	L			to surface		3/0 32.3 ppi, 11-40	, ore cash	g. Circulate cernen
NCMT		1576	5097								
OJAM		2784	3889				Possible	water	flows.		
KRLD		2896	3777	Ц							
FRLD		3175	3498	닏			Possible (. 20 - 6 1 55 670	a a	
Intermediate Casing		3253	3420				surface.	oie. 7°	', 20 ppf, J-55, STC	Casing. Cii	rculate cement to
BASE MAIN COAL		3363	3310								
PC TONGUE		3413	3260								
Total Depth		3445	3228								
BASE LOWEST COAL		3553	3120								
PCCF		3556	3117		AND CAPTURED AND DOTAL SCIEN	s social level to store a					dition who will any single or your by
Reference Wells:				+							A maritim of the second
Reference Type We	ell Name		<u> </u>	Comments							
Logging Program:											San Desire
Intermediate Logs:	Log only	if show 🔲	GR/ILC	Triple (Combo	ON ACTION AND ARE CONTROL OF	SEP 2.14.1030-9-62/4-9-04/8132-	20.99-ALIAN	and the first of t	no vis con caso produce appropriate produce	and an analysis of the second sec
TD Logs:	Triple Co	ombo 🔲 Di	ipmeter	RFT [Sonic [VSP	☐ TDT				
Additional Information	n:										
Comments: General/V	Nork Descr	iption - Seco	ndary g	eologist Tom (Cloud 832	-486-23	377				
Mud Log	from intern	nediate casin	a shoe	to TD will be o	htained						
ridd Log		reduce cusini	9 3,100	, - , min be c	, o can icu,						

Intermediate: fresh water mud with bentonite and polymer as needed
Below Intermediate: air/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

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Drilling Mud Program: Surface: spud mud

UNITED STATES DEPARTMENT OF THE INTERIOR BURE&U OF LAND MANAGEMENT

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an

FORM APPROVED OMB NO. 1004-0135 Expires: November 30, 2000

5. Lease Serial No. NMSF078739	
701 1: A11 1/ TO 1 N	
6 If Indian, Allottee or Tribe Name	

apandoned wei	i. Use form 3160-3 (APD)	ror such proposals.		
SUBMIT IN TRII	7. If Unit or CA/Agre NMNM78419D	eement, Name and/or No.		
1. Type of Well			8. Well Name and No SAN JUAN 30-5	
Oil Well Gas Well Oth 2. Name of Operator		ICKI WESTBY	9. API Well No.	
CONOCOPHILLIPS COMPAN		-Mail: Vicki.R.Westby@conoco		00-X1
3a. Address PO BOX 2197 WL3 6054 HOUSTON, TX 77252		3b. Phone No. (include area code Ph: 915.368 1352	BASIN FRUITL	r Exploratory AND COAL
4. Location of Well (Footage, Sec., T	., R., M., or Survey Description)	60 0000	11. County or Parish	, and State
Sec 22 T30N R5W SESE 842	FSL 907FEL	0.000000 0.000000000000000000000000000	RIO ARRIBA C	COUNTY, NM
12. CHECK APPE	ROPRIATE BOX(ES) TO	INDICATE NATURE OF 1	NOTICE, REPORT, OR OTHE	ER DATA
TYPE OF SUBMISSION		ŤÝPĚÓ	PÁCTION	
Notice of Intent	☐ Acidize	Deepen	Production (Start/Resume)	☐ Water Shut-Off
_	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☐ Subsequent Report	☐ Casing Repair	☐ New Construction	Recomplete	Other
☐ Final Abandonment Notice	☐ Change Plans	□ Plug and Abandon	□ Temporarily Abandon	Change to Original A PD
	Convert to Injection	Plug Back	☐ Water Disposal	
ConocoPhillips requests to su well proposal is attached to th		osal showing liner information	on. A revised	
14. Thereby certify that the foregoing is Comm Name (Printed/Typed) VICKI WE	Electronic Submission #3 For CONOCOPHI itted to AFMSS for processi	5643 verified by the BLM Wel LLIPS COMPANY, sent to the ing by ADRIENNE BRUMLEY Title AGENT	e Farmington on 09/09/2004 (04AXB3338SE)	
Signature (Electronic S	Submission)	Date 09/03/2	2004	
	THIS SPACE FO	R FEDERAL OR STATE	OFFICE USE	
Approved By	antice of	Title	4F.M	Day - 5500
Conditions of approval, if any, are attached certify that the applicant holds legal or equivalent would entitle the applicant to conditions.	uitable title to those rights in the uct operations thereon.	not warrant or subject lease Office	FFO	
Title 18 U.S.C. Section 1001 and Title 43 States any false, fictitious or fraudulent	U.S.C. Section 1212, make it a c statements or representations as t	crime for any person knowingly an to any matter within its jurisdiction	d willfully to make to any department	or agency of the United



PROJECT PROPOSAL - New Drill / Sidetrack

San Juan Business Unit

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3/	٩I	v v	JU	J,	м	IN	30	-3	~	4U	м

Lease:					AFE #:					AFE \$:
Field Name: hPHII	LIPS 30-5		Rig:				State:	NM	County: RIO ARRIBA	API #:
Geoscientist: Mur	phy, Jim O	•	Phone	: 832-486-2	361	Prod. I	Engineer:	Berg	gman, Pat W. F	Phone: (832) 486-2358
Res. Engineer: Kol	esar, Jame	es E.	Phone	: (832) 486	- 2336	Proj. F	ield Lead:		F	Phone:
Primary Objectiv	re (Zones);					1,777			
Zone	Zone Nar	ne								
JCV	BASIN FR	UITLAND COAL	. (GAS)							
Location: Surface									and the second residence	Straight Hole
Latitude: 36.79	Long	gitude: -107.34	4	X:		Y:			Section: 22	Range: 5W
Footage X: 907 FE	L Foot	age Y: 842 FS	L	Elevation: 6	5660	(FT)	Township:	30N		
Tolerance:			·	·····			**************************************			
Location Type:			Start I	Date (Est.):		Com	pletion Da	ite:	Date In C	peration:
Formation Data:	Assume Kl	B = 6673	Units =	FT						
Formation Call &		Depth	SS	Depletion		внт			Remarks	
Casing Points		(TVD in Ft)		(Yes/No)	(PSIG)] 5,,,			Kemarks	
SAN JOSE Surface Casing		13	6660				12-1/4 bo	مام ۵	5/8" 32 3 nof H_40 CT	C casing. Circulate cement
Surface Casing		213	6460	'			to surface		5/6 52.5 ppi, 11-40, 51	c casing. Circulate cemenq
NCMT		1576	5097							
OJAM		2784	3889				Possible v	water	flows.	
KRLD		28 9 6	3777	' <u></u>						
FRLD		3175	3498	_			Possible of			
Intermediate Casing)	3253	3420				8 3/4" Ho surface.	le. 7'	", 20 ppf, J-55, STC Casi	ng. Circulate cement to
BASE MAIN COAL		3363	3310				Januare.			
PC TONGUE		3413	3260							
Total Depth		3445	3228				6-1/4" ho	le pos	ssibly underreamed to 9. C - left uncemented	5". Optional liner: 5.5",
BASE LOWEST COA	L	3553	3120				13.3#, J-	JJ L1	c - iert uncemented	1
PCCF		3556	3117	=						
Reference Wells						1.0			entrope 2	and the state of t
Reference Type	Well Name	•		Commen	ts					1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
								doderia xuos		
Logging Progran	manufacture and an annual section and an ann		OF 17							en e
Intermediate Logs:		nly if show			e Combo				W-2007-14-11-11-11-11-11-11-11-11-11-11-11-11-	
TD Logs:		Combo 🔲 D	ipmete	r 🗌 RFT	Sonic	☐ VSP	☐ TDT			
Additional Information	uon:									
										

Comments: General/Work Description - Secondary geologist Tom Cloud 832-486-2377

 $\mbox{Mud}\mbox{ Log}$ from intermediate casing shoe to TD will be obtained.

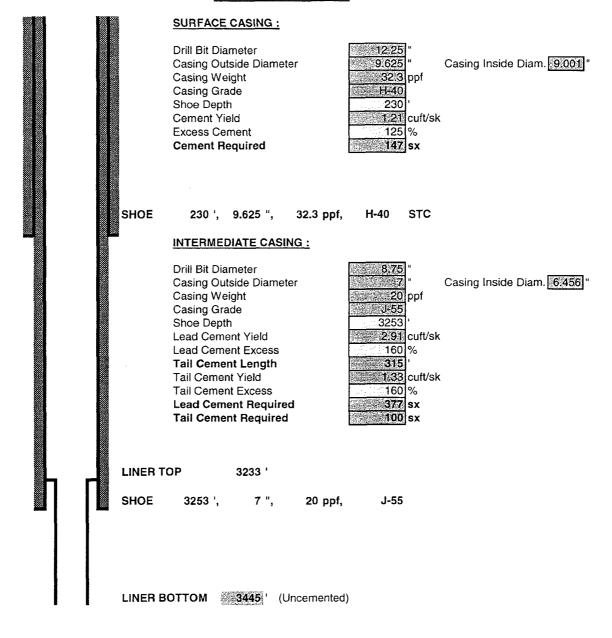
Drilling Mud Program: Surface: spud mud

Intermediate: fresh water mud with bentonite and polymer as needed

Below Intermediate: air/mist drilling media with foamer, polymer, & corrosion inhibitor as needed

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San Juan 30-5 # 240A



San Juan 30-9	5 # 240A -	
	Surf. Csg	Int. Csg
OD	9.625	7
ID	9.001	6.456
Depth —	230	3253
Hole Diam	12.25	8.75
% Excess Lead		160
% Excess Tail	125	160
Lead Yield		2.91
Tail Yield	1.21	1.33
Ft of Tail Slurry	230	315
Top of Tail Slurry		2938
Top of Lead Slurry	N/A	0
Mud Wt (ppg)	8.9	9.0
Mud Type	WBM	WBM

institutes (S. Projection in the foreign and in the		Surface (
	Ft Ft	Cap	XS Factor	bbls	cuft	sx
Open Hole Annulus	230	0.055804	2.25	28.9	162.1	134.0
Shoe Track Volume	40	0.078735		3.1	17.7	13.3

		Intermediat	e Casing	ka-nelőán	r sa Normania.	
	Jang Ft page	Cap	XS Factor	bbls	cuft	sx
Lead Open Hole Annulus	2708	0.026786	2.6	188.6	1058.9	363.9
Lead Cased Hole Annulus	220	0.031116	4478 to 1	6.8	38.4	13.2
Lead Total	discount.		100	195.4	1097.3	377.1
Tail Open Hole Annulus	315	0.026786	2.6	21.9	123.2	92.6
Tail Shoe Track Volume	42	0.040505	42.2003.00.11	1.7	9.6	7.2
Tail Total				23,6	132.7	99.8

	San:Juan 30-5 # 240A					
	9-5/8 Surface Casing					
	Class C Standard Cement					
Cement Recipe	+ 3% Calcium Chloride					
	+0.25 lb/sx Flocele					
Cement Volume	147 sx					
Cement Yield	1.21 cuft/sx					
Slurry Volume	179,8 cuft					
Siding volume	32.0 bbls					
Cement Density	15.6 ppg					
Water Required	5.29 gal/sx					

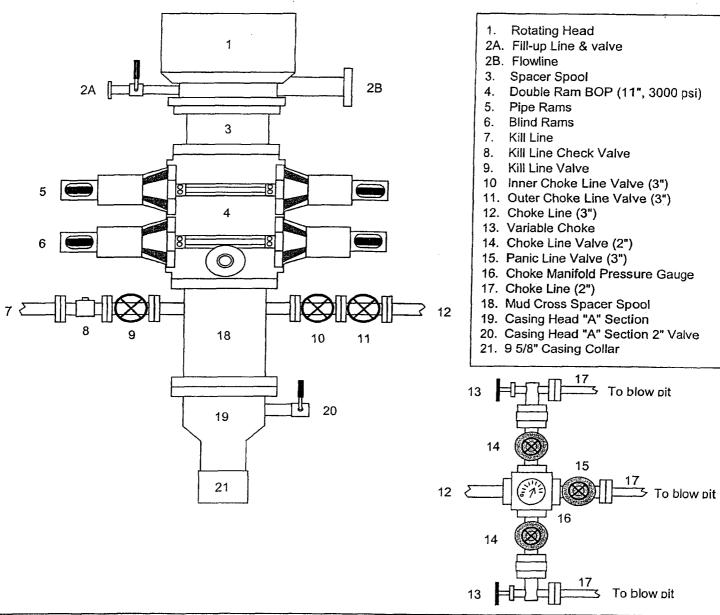
a to said

San Juan 30-5 # 240A

	7" Intermediate	Casing					
	Lead Slur	ry					
Exp. Assumer	Standard Cement						
Cement Recipe	+ 3% Econolite (Lost Circulation Additive)						
Cement necipe	+ 10 lb/sx Gilsonite (Lost Circ. Additvie)						
	+ 0.25 lb/sx Flocele (Lost Circ. Additive)						
Cement Required	377	SX Magazara in the control of the co					
Cement Yield	2.91	cuft/sx					
Slurry Volume	1097.3	cuft.					
Attack of the theory and the second of the second	195.4	bbls					
Cement Density	11.5	ppg					
Water Required	16.88	gal/sx					

7" Intermediate Casing		
Tail Slurry		
	50 / 50 POZ:Standard Cement	
	+ 2% Bentonite (Light Weight Additive)	
Cement Slurry	+ 5 lbm/sk Gilsonite (Lost Circ. Additive)	
	+ 0.25 lbm/sk Flocele (lost Circ. Additive)	
	+ 2% Calcium Chloride (Accelerator)	
Cement Required	100	SX
Cement Yield	1.33	cuft/sx
Slurry Volume	132.7	cuft
	23.6	bbls
Cement Density	13.5	ppg
Water Required	5.36	gal/sx

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM For Drilling to Intermediate Casing Point & Setting 7" Intermediate Casing



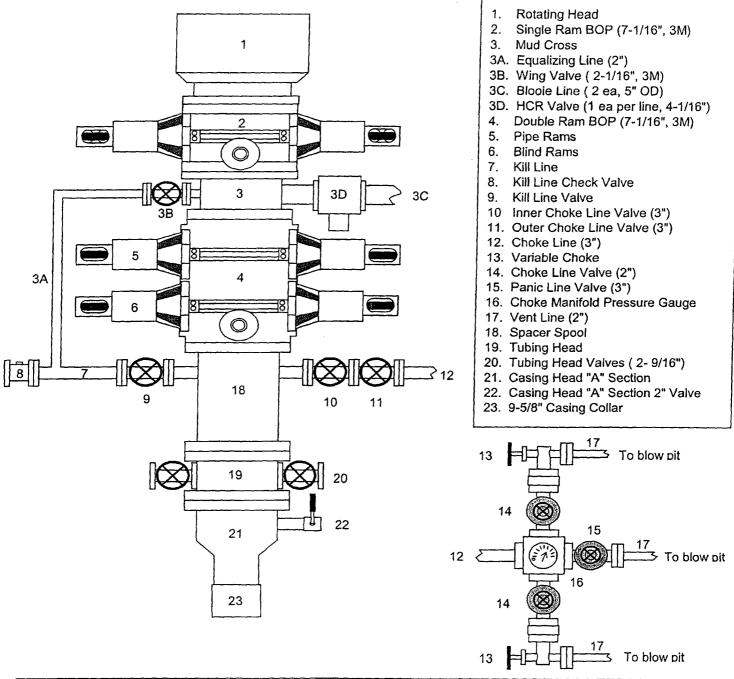
A 12-1/4" hole will be drilled to approximately 220' and the 9-5/8" surface casing will be run and cemented. The Casing Head "A" Section will be screwed onto the 9-5/8" surface casing stub. The BOP will be installed on the Casing Head "A" Section. A test plug will be set in the wellhead and the pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1000 psi (high pressure test) for 10 minutes. Then the test plug will be removed, and the 9-5/8" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1000 psi for 30 minutes (this value is one 44% of the minimum internal yield pressure of the 9-5/8" casing). (Note: per regulatory requirements we will wait on cement at least 8 hrs after placement before testing the 9-5/8" surface casing). Then an 8-3/4" hole will be drilled to intermediate casing point and 7" intermediate casing will be run and cemented.

In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

- 1. Upper Kelly cock Valve with handle
- 2. Stab-in TIW valve for all drillstrings in use

BLOWOUT PREVENTER ARRANGEMENT & PROGRAM

For Cavitation Program



This BOP arrangement and test program is for the cavitation program. The BOP will be installed on the tubing head. The 7" casing will be pressure tested against closed blind rams to 200 psi to 300 psi for 2-3 minutes and to 1800 psi for 30 minutes - this test pressure is 48% of the minimum internal yield strength of 3740 psi for the 7", 20#, J-55, STC casing. The pipe rams and choke manifold will be tested to 200 psi to 300 psi (low pressure test) for 2-3 minutes and to 1800 psi (high pressure test) for 10 minutes - This test will be done with a test plug or possibly without a test plug (ie against casing). If we conduct this test without a test plug we will ensure that we have sufficient drillstring weight in the hole to exceed the upward force generated by the test.

We use a power swivel and air/mist to drill the 6-1/4" hole in our cavitation program. We do not use a kelly. In addition to the equipment in the above diagram the following equipment will comprise the BOP system:

- 1. String floats will be used inside the drillpipe
- 2. Stab-in TIW valve for all drillstrings in use
- 3. Each bloole line is equipped with a hydraulically controlled valve (HCR valve)